

Financial Proposal

Summary

Apple Computer, Inc. does not offer a standard percent discount from retail prices. Apple's standard education prices are already discounted from the prices available at resellers. Rather, educational pricing is set for each individual item based upon Apple's cost of manufacturing. In this way, we are able to provide the most advantageous pricing for each item.

So that the State of Maryland can understand the differences in our MSRP and our educational pricing, some examples are provided below.

<u>Product</u>	<u>MSRP</u>	<u>Education Price</u>	<u>Discount</u>
PowerBook G4 500MHz	<u>\$3499.00</u>	<u>\$3149.00</u>	<u>10%</u>
G4 867MHz	<u>\$2499.00</u>	<u>\$2149.00</u>	<u>10%</u>

For more information on our pricing, please visit our Apple Education store at <http://www.apple.com/education/store>.

Pricing for Installation/Set-up from Apple Services

Apple iServices offers consulting services specifically geared for the education (K- 12 and Higher Education) market. These services range installation and setup of systems to the development of Internet based web and network applications. The basic services available on the price list have a per unit cost. However, our customers often have more complex needs than those set out on the price list. For more involved consulting and integration projects, we use hourly rates. These rates vary based on the scope of work. Since these services have been developed specifically for the education market, the costs for our services are developed with the education customer firmly in mind.